

Federal Communications Commission Washington, D.C. 20554

November 23, 2009

DA 09-2470 In Reply Refer to: 1800B3-VMM Released: November 23, 2009

Mr. Samuel L. Cilone, Jr. Fern Creek Traditional High School Alumni Assoc. 6005A Fern Valley Road

Louisville, Kentucky 40228

In re: WXBH-LP, Louisville, Kentucky

Facility ID No. 134599 File No. BMPL-20070306ABT

Dear Mr. Cilone:

This letter refers to a pleading, styled as a "Petition to Deny" ("Petition"), filed on March 22, 2007, on behalf of Fern Creek Traditional High School Alumni Association ("Fern Creek"), licensee of Station WFHS-LP, Louisville, Kentucky. The Petition asks that we deny the captioned application ("Application") filed by Brycc House, Inc. ("Brycc"), permittee of Station WXBH-LP, Louisville, Kentucky ("Station"), to modify the Station's construction permit to reflect the terms of a timesharing agreement between Brycc and Fern Creek. It also asks us to "rescind" Brycc's construction permit for WXBH-LP. For the reasons set forth below, we dismiss the pleading as a Petition to Deny and deny it as an Informal Objection.

Background. Brycc and Fern Creek filed mutually exclusive applications for LP Channel 224 on June 15, 2001,⁴ which were granted on April 29, 2005, as consecutive time-share licenses. On January 31, 2007, the parties entered into a settlement agreement that set forth a time sharing schedule and provided for shared facilities at Fern Creek's studio. On March 6, 2007, Brycc filed the Application and Fern Creek submitted an application to modify its license to reflect the terms of the settlement agreement.⁵ The Application, which included a proposal to move its transmitter to the coordinates of the shared Fern Creek transmitter site ("Timeshare Site"), was approved by the Commission on March 20, 2007, and Fern Creek's license was reissued reflecting Brycc's new site pursuant to the timesharing schedule. On March 22, 2007, Fern Creek submitted the instant Petition, and subsequently filed a

¹ The Petition was filed by Samuel L. Cilone, Jr., a director and Board member of Fern Creek. While Mr. Cilone did not identify his affiliation with Fern Creek in the Objection or state his basis for standing to file, Brycc points out (and Mr. Cilone subsequently concedes in his September 11, 2008, Supplement) Mr. Cilone's affiliation with Fern Creek.

² Bryce filed an Opposition on July 9, 2007 ("Opposition"), and Fern Creek filed a Supplement on September 11, 2008.

³ Petition at 1.

⁴ File Nos. BNPL-20010615ANB (Brycc) and BNPL-20010615AUR (Fern Creek).

⁵ File No. BMPL-20070306ABT (Brycc) and BLL-20060821ADU (Fern Creek).

supplement stating that the timeshare and facility sharing agreements had been terminated because Brycc had failed to abide by their terms.⁶

Discussion. *Procedural Matter*. Brycc argues that Fern Creek's pleading is defective as a "Petition to Deny," and that it should be dismissed. We agree. Because the Petition was filed two days *after* the Application had been granted and because formal petitions to deny do not lie against minor modification applications, such as that of Fern Creek's here, we will treat the Petition as an Informal Objection under Section 73.3587 of the Rules. 9

Substantive Matters. In the Petition, Fern Creek requests that we "thoroughly review" Bryce's qualifications as an LPFM licensee. It contends that (1) the Timeshare Site is outside the 10 mile radius required under Section 73.853 of the Rules; (2) Bryce's ownership has changed 100% since the original construction permit was issued, in violation of Section 73.865 of the Rules; and (3) Bryce does not qualify to be a LPFM licensee because it is not an educational institution, and that any educational affiliation it once had no longer exists. For the reasons set forth below, we will deny the Petition.

Fern Creek first argues that the Timeshare Site is located more than 10 miles from Brycc's headquarters (Brycc concedes that the Timeshare site is located 10.48 miles from its headquarters), in violation of the requirements set forth in Section 73.853(a) of the Rules. We disagree. That Rule states that an applicant is deemed local if it is either (a) physically headquartered within 10 miles of the proposed transmitter site (or 20 miles for applicants outside the top 50 urban markets), or (b) has 75 percent of its board residing within 10 miles (or 20 miles for applicants outside the top 50 urban markets). Because Louisville is outside the top 50 markets, Brycc's qualifications are analyzed under the 20-mile standard. Accordingly, we find that the distance between the Timeshare Site and Brycc's headquarters is well within the requirements of Section 73.853(a) of the Rules. We note that Brycc's

⁶ Bryce notes that they are no longer co-located and that it had filed a modification application to change its location. File No. BPL-20081201ABG, granted on August 3, 2009. Bryce also stated that it would abide by the timeshare agreement and believed it was still in effect.

⁷ Opposition at 5-7.

⁸ See 47 U.S.C. § 309(c) and 47 C.F.R. § 73.3584; see also Change of Community, Report and Order 21 FCC Rcd 14212, 14220 (2006); see also CMP-Houston KC, LLC, Memorandum Opinion and Order, 23 FCC Rcd 10656, 10660 n.31 (2008), citing Cloud Nine Broadcasting, Inc., Letter, 10 FCC Rcd 11555, 11556 (1995).

⁹ 47 C.F.R. § 73.3587.

¹⁰ Petition at 1.

¹¹ 47 C.F.R. §73.853(b)(1). See Creation of a Low Power Radio Service, Third Report and Order and Second Further Notice of Proposed Rulemaking, 22 FCC Rcd 21912, 21923 (2007) ("LPFM Third R&O") (modifying the ten-mile requirement to twenty miles for all LPFM applicants proposing facilities in other than the top 50 urban markets, for both the distance from transmitter and residence of board member standards).

 $^{^{12}}$ Louisville is the $53^{\rm rd}$ largest according to Arbitron Radio Market rankings, Spring 2009. See www.arbitron.com/home/mm001050.asp?inframe.

¹³ Bryce also points out that the Timeshare Site is located within 10 miles of 75 percent of its board members, and is therefore in compliance with Section 73.853(b) of the Rules, as well. Opposition at 7.

authorization has been modified to specify a new site that is also within the parameters of Section 73.853 of the Rules.¹⁴

Next, Fern Creek argues that Brycc's Board of Directors "has changed 100% since the original construction permit was issued," implying that there was an unauthorized transfer of control in violation of Section 73.865 of the Rules. In support of its argument, it attaches the list of corporate officers and directors filed with the State of Kentucky and the pages from an unidentified FCC application with a listing of officers and directors. However, nothing in the Petition explains the significance of these documents. Brycc responds that the composition of the board changed gradually over time, and that any change that occurred more rapidly than allowed was inadvertent due to the rapid turnover of members.

Section 73.865 of the Rules was recently amended to address rapid changeovers that frequently occur in organizations such as Brycc. ¹⁹ That Section now states that "transfers of control involving a sudden change of more than 50 percent of an LPFM's governing board shall not be deemed a substantial change in control." Thus, Brycc's changeover of its board of directors is not considered to be a "substantial change in ownership and control" requiring the filing of an application for transfer of control. Accordingly, we will not consider this issue further.

Third, Fern Creek argues that Bryce's status as an educational organization has changed, disqualifying it to hold an LPFM license. Section 73.853(a)(1) of the Rules provides that an LPFM station may only be licensed to a nonprofit educational institution and upon a showing that the proposed station will be used for the advancement of an educational program.²¹ Bryce certified in Section 4 of its license application that it was a noncommercial educational institution, attached Articles of Incorporation showing that Bryce was incorporated in the State of Kentucky in 1999 as a noncommercial entity, and included a description of its educational programming. According to Bryce, its articles of incorporation and bylaws establish their noncommercial educational status by stating that Bryce House's purpose is to "promote creative expression, independent learning, community awareness and youth empowerment."²² Fern Creek provides no evidence demonstrating that Bryce's status has changed.²³ Accordingly, we find that Bryce remains qualified to be a LPFM licensee.

¹⁴ See File No. BPL-20081201ABG, granted August 3, 2009.

¹⁵ Petition at 1.

¹⁶ *Id*.

¹⁷ See Petition, Ex. 3.4 (numbering provided).

¹⁸ See Opposition at 13-14.

¹⁹ See LPFM Third R&O, 22 FCC Rcd at 21918; 47 C.F.R. § 73.865.

²⁰ 47 C.F.R. §73.865(e)

²¹ 47 C.F.R. §73.853(a)(1).

²² Opposition at 11-12.

²³See 47 U.S.C. § 309(d)(1); Clear Channel Communications, Inc., et al., Memorandum Opinion and Order, 23 FCC Rcd 1421, 1434, (2008); Area Christian Television, Inc., Memorandum Opinion and Order, 60 RR 2d 862, 864

Finally, Fern Creek indicates that Bryce has breached the settlement agreement with Fern Creek with respect to the timeshare and facility sharing agreements.²⁴ However, any dispute over the use of Fern Creek's property is a private matter required to be adjudicated in a court that has jurisdiction over the property.²⁵ Accordingly, we will not consider this issue further.

Conclusion. For the reasons set forth above, IT IS ORDERED, that Fern Creek Traditional High School Alumni Association's March 22, 2005, Petition to Deny IS DISMISSED, and when treated as an Informal Objection, IS DENIED.

Sincerely,

Peter H. Doyle, Chief, Audio Division Media Bureau

cc: Fern Creek Traditional High School Alumni Association Brycc House, Inc. Alan Korn, Esq.

(1986), (Petitions to Deny and Informal Objections must contain adequate and specific factual allegations sufficient to warrant the relief requested).

²⁴ Supplement at 1-2.

²⁵ The Commission generally does not interfere with private contractual disputes "that should be solved by negotiation between the parties or in the courts." *Metromedia, Inc.*, Memorandum Opinion and Order, 3 FCC Rcd 595 (1988). *See also, Decatur Telecasting, Inc.*, Memorandum Opinion and Order, 7 FCC Rcd 8622, 8624 (1992) and *John F. Runner, Receiver (KBIF)*, Memorandum Opinion and Order, 36 RR 2d 773, 778 (1976).